

**REMARKS**

Claims 1-28, 30, and 31 are pending in the present application, with claims 1, 10, 26, 27, 28, and 31 being the independent claims.

In summary of the outstanding Office Action, Claims 1-28, 30 and 31 are rejected under 35 U.S.C. 112, first paragraph, as allegedly failing to comply with the enablement requirement. Claims 1-28, 30 and 31 are rejected under 35 U.S.C. 112, second paragraph, as allegedly being indefinite. Claims 1-28, 30 and 31 are rejected under 35 U.S.C. 103(a) as being allegedly being unpatentable over Schulhof et al., U.S. Patent No. 5,72,442 (Schulhof) in view of Neville et al., U.S. Patent No. 6,272,636 (Neville).

Applicants respectfully request acknowledgement of the drawings filed April 30, 1999.

Applicants also respectfully request acknowledgement of the supplemental information disclosure statement filed on May 16, 2005.

**Rejections under 35 U.S.C. 112**

At the outset, Applicants would like to thank Examiner for his time and consideration during the previous interview and Applicants provide the present reply to the outstanding Office Action in light of the discussions had during the interview.

Claims 1-28, 30 and 31 are rejected under 35 U.S.C. 112, first paragraph, as allegedly failing to comply with the enablement requirement. The Office Action states the claims contain subject matter which is not described in the specification. However, support for the subject matter regarding receiving “unrestricted playback selection information...when the previously recorded music selection has been played a predetermined number of times at a customer location or an indication is made by the customer that the music is selected for unrestricted playback, whichever occurs first,” appears throughout the specification, and in particular on page 37, lines 4-14:

In certain embodiments, the user station 28M will also contain an audio speaker system (not shown) to allow the user to listen to the stored music before it is recorded permanently on a CD or other recordable medium and subsequently paid for. In this embodiment, the preselected information stored in billing

module 140M will not be transmitted for payment to the system operator until the user has either listened to the music content a set number of times, for example, 3 times, or the user indicates via the graphical user interface that he wishes to permanently record it.

The “pre-selected information stored in billing module 28M,” corresponds to, and is an example of, the “unrestricted playback selection information” of claims 1-28, 30 and 31. Since support appears in the originally filed patent application in at least the location shown above for the material of claims 1-28, 30 and 31, withdrawal of the rejection for allegedly failing to comply with the enablement requirement is respectfully requested.

Claims 1-28, 30 and 31 are rejected under 35 U.S.C. 112, second paragraph, as allegedly being indefinite. The Office Action states it is not clear to one of ordinary skill how unrestricted playback is enforced on a user after music has been played a predetermined number of times, or an indication is made by the customer that the music is selected for unrestricted playback, whichever occurs first. However, claims 1-28, 30 and 31 do not state that unrestricted playback is enforced on a user, only that unrestricted playback selection information is received. This information is received from a user and is intended to be an indication that the user wishes to purchase the ability to have unrestricted playback of the music selection at the consumer location. For example, the user is not billed until an indication is made by the customer that the music is selected for unrestricted playback, or after the music selection has been played a predetermined number of times.

The Office Action also states “the billing feature is not clear as a user is not billed if a musical selection has been played a predetermined number of times.” However, Applicant respectfully disagrees. Claim 1 clearly states that the billing is “based on the unrestricted playback selection information received,” and that this billing information is received “when the previously recorded music selection has been played a predetermined number of times at a customer location.” Thus, for at least the reasons above, withdrawal of the rejections of claims 1-28, 30 and 31 under 35 U.S.C. 112, second paragraph is respectfully requested.

**Claim rejections under 35 U.S.C. §103**

Claims 1-28, 30 and 31 stand rejected under 35 U.S.C. § 103(a) as allegedly unpatentable over Schulhof et al. in view of U.S. Patent No. 6,272,636 (Neville et al.).

Regarding claim 1, the Office Action states that “after a purchase step, Neville et al. explicitly states that a customer is allowed full execution of content without limitation.” However, without conceding the propriety of the rejection of claim 1 prior to the previous amendment, claim 1 as amended recites a particular way of initiating a purchase transaction that is not taught or suggested by Neville et al. or Schulhof. In particular, claim 1 calls for:

...receiving unrestricted playback selection information  
regarding a previously recorded music selection from the at  
least one customer location to at a central controller system  
when the previously recorded music selection has been played  
a predetermined number of times at a customer location or an  
indication is made by the customer that the music is selected  
for unrestricted playback, whichever occurs first.

First, it is important to note that the withholding of an unlock key as described in Neville et al., to which the Office Action refers, is to prevent access to a “metered digital product” Col. 13, lines 14-26, and not to prevent access to any unrestricted use or playback. Essentially, the metered digital product of Neville, et al. is only available for use until the evaluation period has expired Col. 13, lines 30-35. The only language in Neville et al. that discusses unrestricted access to a digital product states “Essentially, a purchase step would remove any execution control features, and allow full execution of the product without limitation.” Col. 17, lines 3-5. However, this does not describe how the purchase is initiated or completed. In contrast, claim 1 as recited above describes automatically receiving unrestricted playback selection information in a particular manner not described in Neville et al. or Schulhof.

Secondly, Neville et al. states that the “purchase step may be incorporated into the execution control procedures.” Col. 17, lines 1-2. However, this purchase step is after evaluation of software that has “execution control,” that “includes authorization to execute at a remote clearinghouse site, thereby preventing local, i.e., user, manipulation of a digital product.” Col. 16, lines 62-65. Claim 1 recites “previously recorded music selections, that

were previously recorded by the at least one customer in a storage medium at a location of the customer ...” which is opposed to executing demo software at a remote clearinghouse. Thus, according to claim 1, the “previously recorded music selections” are stored at the “customer household,” rather than programs being executed or stored at a “remote clearinghouse site” as Neville et al. states.

Thus, for at least the reasons above, Applicant respectfully submits that all the limitations of claim 1 are not taught or suggested by Schulhof et al. or Neville et al.

Regarding claims 2-18, 20, 21, 23, 26, 27 and 31, the Office Action gives the same reason as for claim 1 in rejecting these claims. Thus, Applicant submits that all the limitations of claims 2-18, 20, 21, 23, 26, 27 and 31 are not taught or suggested by Schulhof et al. for at least the same reasons above as for claim 1 as amended.

Furthermore, regarding claims 8 and 19, the Office Action contends that the element of “generating a permanent enabling code for inclusion with said permanent recorded music selections to thereby enable unrestricted playback,” is disclosed by Schulhof et al. at column 9, lines 27-37. However, Schulhof et al. is merely describing using a “known data encryption scheme, such as a public key system (e.g. RSA) where the subscriber’s system is registered to the program materials at the time the materials are transferred to the subscriber.” Col. 9, lines 31-35. There is no discussion of a “permanent enabling code,” or including such a code with the music selections. Rather, public key encryption requires both a public and private key and includes encryption of the content using the public key and decryption using the private key. There is no mention in Schulhof et al. how or when these public and private keys are transferred and whether it is with the music content or not. Therefore, Schulhof et al. does not describe “generating a permanent enabling code for inclusion with said permanent recorded music selections to thereby enable unrestricted playback.”

Thus, for at least the reasons above, Applicant respectfully submits that all the limitations of claims 8 and 19 are not taught or suggested by Schulhof et al. or Neville et al.

“To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art.” MPEP § 2142. Since all the limitations of claims 1-28, 30 and 31 are not taught or suggested by Schulhof et al., Neville et al., or any combination thereof, for the same reasons presented above, withdrawal of the rejections under 35 U.S.C. § 103(a) for claims 1-28, 30 and 31 is earnestly solicited.

## CONCLUSION

Applicant believes that the present Amendment is responsive to each point raised by the Examiner in the office action and Applicants submit that claims 1-28, 30 and 31 of the application are in condition for allowance. Favorable consideration and passage to issue of the application at the Examiner's earliest convenience is earnestly solicited. However, should the Examiner find the claims as presented herein to not be allowable for any reason, Applicant's undersigned representative earnestly requests a telephone conference at (206) 332-1392 with both the Examiner and the Examiner's Supervisor to discuss the basis for the Examiner's continued rejection in light of the Applicant's arguments presented herein. Likewise, should the Examiner have any questions, comments, or suggestions that would expedite the prosecution of the present case to allowance, Applicant's undersigned representative would very much appreciate a telephone conference to discuss these issues.

Date: February 23, 2006



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